GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:1865
ANSWERED ON:27.07.2017
Share Buyback Plan of CIL
Vanaroja Smt. R.

Will the Minister of COAL be pleased to state:

(a) whether the Coal India Limited (CIL) has said that it would not go ahead with the proposed share buyback plan worth Rs.1,001.88 crores;

(b) if so, the details thereof;

(c) whether this decision was taken on the basis of company's financial record as on 31.12.2016; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE (IC) IN THE MINISTRY OF COAL, POWER, NEW & RENEWABLE ENERGY AND MINES

(SHRI PIYUSH GOYAL)

(a) to (d): Coal India Limited has bought back 7,88,42,816 shares from Government of India out of total offer of 10,89,55,223 equity shares @ Rs. 335/- per equity shares. Accordingly, Government of India received around Rs. 2638 crores as Buyback proceeds.

The Proposed Buyback of Rs. 1001.8 crores pertained to Central Coalfields Limited (CCL) , a subsidiary of Coal India Limited. CCL in its Board meeting held on 3rd March'17 approved to undertake buyback of shares amounting to Rs. 1001.8 crores and submitted its proposal to CIL Board. The valuation submitted by CCL was considered by CIL Board in its meeting on 6th March, 2017 and accordingly requested CCL to reconsider the valuation for the sake of consistency for undertaking Buyback. CCL Board in its meeting on 10th March, 2017 has reconsidered the proposal and decided not to proceed with buy back.

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